

# **EXHIBIT B**

## Copperstone Capital: Russian market insight

By 7th July 2015 @ Finance

Copperstone Alpha Fund is a world-class hedge fund that combines headquarters in Moscow with international asset management expertise



*David Amarian, Director, Copperstone Capital*

Copperstone Capital was founded by David Amarian in 2010. Mr Amarian had spent 10 years in the industry prior to establishing Copperstone Capital, working for both the buy-side and the sell-side, in Russia and across the Atlantic in New York.

The initial focus of Copperstone Capital was private account management. In 2012 the company launched the flagship Copperstone Alpha Fund. The fund has established an impeccable reputation of high integrity, trustworthiness and transparency with an attractive performance track record that has been recognised by a variety of awards. The fund is up 68 per cent since its inception against 46.94 per cent for MSCI ACWI Index (includes both emerging and developed markets), -25.51 per cent for RTS index (composite index based on prices of the 50 most liquid Russian stocks), 65.83 per cent for S&P 500 Index (capitalisation-weighted index of 500 stocks) respectively. Mr Amarian is still responsible for the investment management process of the fund and is involved in the day to day operations, despite the fact that Copperstone Capital's list of services has expanded. Today, Copperstone offers its clients comprehensive investment management, personal net-worth management and advisory services.

The firm brings together a unique combination of international asset management expertise, a highly professional team with extensive investment experience and first-hand knowledge of the Russian stock market and business environment.

Mr Amarian is the Chairman of the Investment Committee, which includes five key members of the team and meets on a weekly basis to get an update on company-specific events and discusses all current portfolio positions in relation to the current business, economic and political environments. The fund has no restrictions to particular regions or asset classes. The investment philosophy combines a number of strategies to provide a natural diversification hedge.

Generally, 50-60 per cent is invested with a value strategy, 20-30 per cent with emerging and global macro strategy and the remaining funds are invested with event-driven special situations strategy. Copperstone Capital's value strategy takes advantage of market mispricing and invests in stocks trading at an attractive relative valuation or at a discount to their own NAV (net asset value) or SOTP (sum of the parts) valuation. Emerging and global macro-strategy aims to profit from general global market trends while event-driven strategy aims to profit from stock specific events, such as M&A, IPO/SPO, bankruptcy procedures.

**Copperstone Capital's achievements: A statement from the Director**

Despite the fact that our main focus is on equity investments in Russia and the CIS, we aren't restricted to a particular region or asset class in our investment activities. This allows us to be much more flexible, looking for value in various markets around the world. This advantage becomes critical during periods of distressed economic conditions and political turbulence, something we witnessed in Russia last year. Our focus on absolute investor returns rather than on a particular region allowed us to switch to global markets and reshuffle our portfolio to have a minimal exposure to Russia in this period of instability and volatile returns.

We strive to provide the best possible risk-adjusted return by exploiting our proprietary asset valuation models together with a pro-active portfolio management approach. As we are not part of any large financial group, we are much better suited to making quick decisions, which is essential when you are dealing with the stock market.

Despite the current situation in Russia, we believe the trough is behind us: the most recent economic data is coming out stronger than expected, the ruble has found equilibrium and we see positive developments in Russia's relationship with the West. The market is up +35 per cent YTD but is still heavily under invested despite being part of the major EM indices. We have absolutely no doubt that investors will increase their exposure to Russia in the near future and our local knowledge and expertise will prove to be invaluable once again. Before you think we are just another fund trying to draw a picture perfect image, we want to highlight that we understand Russia from within and are able to recognise and use its "flaws" to our advantage. We do not ignore such disadvantages as excessive policy volatility and instability of the legal regime – we try to find ways to create returns around them.

We have big plans for the immediate future. We are constantly seeing more and more international investors ready to share our investment philosophy and are excited to get better acquainted with our business approach. We have decided to open offices in London, Vienna and New York to be closer to our investors. Our London office will be operational by year-end. We are also planning to launch a fixed income, distressed Russian debt and real estate in the near future.

*David Amaryan, Director, Copperstone Capital*

**Further information**

[www.copperstonecapital.com](http://www.copperstonecapital.com)

[info@copperstonecapital.com](mailto:info@copperstonecapital.com)

---

Share this story

[About Us](#) [Terms and Conditions](#) [Privacy Policy](#) [Contact Us](#)

©2014 The European, all rights reserved. The European is a registered trademark of Chase Publishing Ltd